

OFFICE OF CONGRESSIONAL AFFAIRS
Routing Slip

	ACTION	INFO
1. D/OCA		
2. DD/Legislation	XX	
3. DD/Senate Affairs		
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5. DD/House Affairs		
6. Ch/House Affairs		
7. Admin Officer		
8. Executive Officer		
9. FOIA Officer		
10. Constituent Inquiries Officer		
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SUSPENSE 31 July 87
Date

Action Officer:	
Remarks:	RECEIVED IN REGISTRY 31 July 87

	31 Jul 87
	Name/Date

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 27, 1987

SPECIAL

CONGRESSIONAL AFFAIRS

87-3282

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer -
Department of Agriculture-Brian Stangeland-447-7095
Department of Commerce-Michael Levitt-377-3151
Department of Defense-Sam Brick-697-1305
Department of Education-Jack Kristy-732-2670
Department of Energy-Bob Rabben-586-6718
Department of Health and Human Services-F White-245-7760
Department of Housing and Urban Development-E. Murphy-
755-7093
Department of the Interior-Philip Kiko-343-6706
Department of Justice-John Bolton-633-2141
Department of Labor-Seth Zinman-523-8201
Department of State-Lee Ann Howdershell-647-4463
Department of Transportation-Tom Herlihy-366-9293
Department of the Treasury-Rick Carro-566-8523
Council of Economic Advisers
Agency for International Development
Central Intelligence Agency
Environmental Protection Agency
General Services Administration
National Aeronautics and Space Administration-J. Murphy-
453-1948
Office of Personnel Management-Jim Woodruff-632-5524
Small Business Administration-Clifford Downen-653-7581
U.S. Information Agency
Veterans Administration-Donald Ivers-233-3832
U.S. Postal Service-Fred Eggleston-268-2958
Postal Rate Commission

LEG

SUBJECT: OPM testimony on H.R. 2487, "Federal Employees Leave Act of 1987."

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than Thursday, July 30, 1987. Hearing is August 4, 1987.

Questions should be referred to Hilda Schreiber (395-7362), the legislative analyst in this office.

Naomi R. Sweeney
Naomi R. Sweeney for
Assistant Director for
Legislative Reference

Enclosures

**STATEMENT OF
HONORABLE JAMES E. COLVARD, DEPUTY DIRECTOR
OFFICE OF PERSONNEL MANAGEMENT**

at a hearing of the

**SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS
COMMITTEE ON POST OFFICE AND CIVIL SERVICE
U.S. HOUSE OF REPRESENTATIVES**

ON

H.R. 2487

THE FEDERAL EMPLOYEES LEAVE ACT OF 1987

AUGUST 4, 1987

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

**THANK YOU FOR INVITING ME TO APPEAR THIS AFTERNOON TO PRESENT
THE VIEWS OF THE OFFICE OF PERSONNEL MANAGEMENT ON H.R. 2487,
THE "FEDERAL EMPLOYEES LEAVE ACT OF 1987."**

**H.R. 2487 WOULD REQUIRE OPM TO ESTABLISH A 5-YEAR EXPERIMEN-
TAL PROGRAM UNDER WHICH EMPLOYEES COULD VOLUNTARILY TRANSFER
ANNUAL LEAVE TO OTHER EMPLOYEES WHO NEED LEAVE BECAUSE OF A
MEDICAL OR FAMILY EMERGENCY OR OTHER HARDSHIP SITUATION
REQUIRING THE EMPLOYEE'S ABSENCE FROM DUTY.**

**THE OFFICE OF PERSONNEL MANAGEMENT STRONGLY SUPPORTS THE
PURPOSE OF THIS BILL, ALTHOUGH WE WOULD LIKE TO SEE SOME
MODIFICATIONS IN CERTAIN PROVISIONS.**

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AS THE COMMITTEE IS WELL AWARE, OPM IS NOW CONDUCTING A LEAVE TRANSFER EXPERIMENT, UNDER THE AUTHORITY OF LAST FALL'S CONTINUING RESOLUTION. THE LAW LIMITS THIS EXPERIMENT TO THREE INDIVIDUALS, SO MUCH OF OUR START-UP WORK HAS HAD TO CONCENTRATE ON THE SELECTION OF THE THREE CASES. WE KNEW THIS WOULD BE DIFFICULT, BUT WE REALLY HAD NOT EXPECTED IT TO BE QUITE AS DIFFICULT AS IT TURNED OUT TO BE.

ALTHOUGH THERE WAS NOT A LOT OF PUBLICITY, WE RECEIVED 242 APPLICATIONS, FROM 32 DIFFERENT AGENCIES. IN ALMOST EVERY CASE, THE PERSONAL HARDSHIP WAS VERY REAL, AND AGENCY MANAGEMENT AND THE INDIVIDUAL'S FELLOW EMPLOYEES SHARED AN EAGERNESS TO HELP. WE HAD ANTICIPATED AGENCY CONCERNS OVER THE ADMINISTRATIVE PROBLEMS OF TRANSFERRING LEAVE, BUT INSTEAD WE FOUND MANAGERS GENERALLY WERE EAGER TO TAKE ON WHATEVER PAPERWORK BURDEN WAS INVOLVED IN ORDER TO HELP OUT THE EMPLOYEE. FELLOW EMPLOYEES WERE OVERWHELMINGLY READY TO SACRIFICE SOME OF THEIR OWN LEAVE TO PROVIDE INCOME FOR A NEEDY CO-WORKER DURING A TIME OF PERSONAL EMERGENCY. WHILE WE CERTAINLY EXPECTED TO BE ABLE TO FIND THREE WORTHY CASES, ALMOST EVERY CASE THAT CAME IN WAS WORTHY. AGENCY MANAGERS AND EMPLOYEES ALIKE SHOWED GREAT ENTHUSIASM FOR THE PROGRAM.

THEREFORE, EVEN THOUGH WE HAVE NOT COMPLETED THE CURRENT EXPERIMENT, WE BELIEVE THAT WE MUST SUPPORT BROADENING THIS PROGRAM TO APPLY WHEREVER IT IS NEEDED. SINCE H.R. 2487 PERMITS THE TRANSFER OF ANNUAL LEAVE ONLY, AND NOT SICK

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LEAVE, IT IS OBVIOUS THAT ANY COSTS WOULD BE MINIMAL ADMINISTRATIVE COSTS, AND THAT AGENCIES ARE PREPARED TO ABSORB THESE COSTS. AND IT IS ALSO OBVIOUS THAT THIS PROGRAM OFFERS AN UNUSUAL OPPORTUNITY FOR MANAGEMENT AND EMPLOYEES TO SHARE IN DOING SOMETHING, IN AN IMMEDIATE AND PERSONAL WAY, THAT WILL HELP NEEDY CO-WORKERS AND THEIR FAMILIES.

HOWEVER, WE MUST ALSO RECOGNIZE THAT THIS IS A VERY NEW AND UNTRIED CONCEPT, AND WE ARE NOT SURE WHAT ADMINISTRATIVE PROBLEMS MAY ARISE IN ITS ACTUAL OPERATION. FOR THAT REASON, WE ARE PLEASED THAT H.R. 2487 ESTABLISHES THIS PROGRAM AS A FIVE-YEAR EXPERIMENT. IN KEEPING WITH THIS EXPERIMENTAL NATURE OF THE PROGRAM, WE BELIEVE MORE FLEXIBILITY SHOULD BE PERMITTED IN CERTAIN ASPECTS OF THE PROGRAM:

- THE REQUIREMENT THAT A LEAVE RECIPIENT HAVE EXHAUSTED NOT ONLY SICK AND ANNUAL LEAVE TO HIS CREDIT BUT ALSO "OTHERWISE AVAILABLE" LEAVE--PRESUMABLY ADVANCED LEAVE --MAY BE UNNECESSARILY RESTRICTIVE, PARTICULARLY IN VIEW OF WIDE AGENCY VARIATIONS IN POLICIES ON ADVANCEMENT OF LEAVE.
- THE REQUIREMENT THAT LEAVE BE TRANSFERRED BETWEEN AGENCIES MAY PRESENT SERIOUS ADMINISTRATIVE DIFFICULTIES, AND, JUDGING FROM WHAT WE'VE SEEN SO FAR IN OUR LIMITED EXPERIMENT, WOULD BE UNNECESSARY IN MOST

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CASES, SINCE EVEN RELATIVELY SMALL OFFICES HAVE PRODUCED OFFERS OF MORE THAN ENOUGH DONATED LEAVE. WE WOULD SUGGEST THAT OPM BE GIVEN AUTHORITY TO PERMIT INTERAGENCY LEAVE TRANSFERS, BUT THAT THEY NOT BE REQUIRED.

- THE PROVISIONS OF THE BILL ON LEAVE RESTORATION PRESENT THE MOST SERIOUS ADMINISTRATIVE QUESTIONS, IN THE SAME WAY THEY DO IN OUR CURRENT EXPERIMENT. LEAVE IS NORMALLY EARNED AND USED IN ONE-HOUR SEGMENTS, AND IT IS UNCLEAR TO US WHETHER THE BILL WOULD ADHERE TO THIS PRINCIPLE OR WOULD REQUIRE RESTORATION OF SMALL FRACTIONS OF AN HOUR. INTERAGENCY RESTORATIONS WOULD BE VERY DIFFICULT, AS WOULD RESTORATIONS TO EMPLOYEES WHO HAVE SEPARATED OR RETIRED. WE SUGGEST THE BILL BE REVISED TO GIVE OPM AUTHORITY TO PROVIDE FOR RESTORATION OF UNUSED DONATED LEAVE, TO THE EXTENT ADMINISTRATIVELY FEASIBLE, RATHER THAN TO REQUIRE RESTORATION.

WE BELIEVE THAT IT WOULD BE INAPPROPRIATE TO INCLUDE THE POSTAL SERVICE IN THE OPM-ADMINISTERED LEAVE TRANSFER PROGRAM, SINCE THE POSTAL SERVICE LEAVE SYSTEM IS NOT SUBJECT TO TITLE 5 OR TO OPM'S LEAVE REGULATIONS IN GENERAL. WE WOULD DEFER TO THE POSTAL SERVICE AS TO WHETHER THEY SHOULD HAVE THEIR OWN LEAVE TRANSFER PROGRAM.

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FINALLY, THE BILL WOULD AUTHORIZE A FIVE-YEAR PROGRAM OF EXPERIMENTS WITH THE CONCEPT OF PROVIDING ADDITIONAL ANNUAL LEAVE TO EMPLOYEES AS A MEANS OF RECOGNIZING OUTSTANDING PERFORMANCE OR OTHER ACCOMPLISHMENTS. OPM'S EXISTING DEMONSTRATION PROJECT AUTHORITY UNDER CHAPTER 47 OF TITLE 5, UNITED STATES CODE, DOES NOT PERMIT EXPERIMENTS IN THIS AREA, AND WE BELIEVE THIS IS AN ATTRACTIVE CONCEPT WORTH TRYING. HOWEVER, IN ORDER TO ENSURE A DIVERSITY OF WELL-PLANNED EXPERIMENTS, WE BELIEVE THE LANGUAGE IN THE BILL SHOULD BE REVISED TO PROVIDE FOR OPM PARTICIPATION IN THE PLANNING AND APPROVAL FOR EACH EXPERIMENT, SIMILAR TO THE CHAPTER 47 AUTHORITY.

WITH THESE MINOR CHANGES IN H.R. 2487, WE WOULD ENTHUSIASTICALLY SUPPORT THE BILL.

THANK YOU. I WOULD BE HAPPY TO ANSWER ANY QUESTIONS.